

**MINUTES OF SPECIAL MEETING
2006 SERIES B SINGLE FAMILY MORTGAGE BONDS
April 26, 2006, 9:00 A.M.**

Notice having been given, the Montana Board of Housing held a special meeting on the sale and awarding of its 2006 Series B Single Family Program Bonds. The meeting took place via teleconference to discuss the Bond Resolution, awarding of the bonds, final pricing, and the Purchase Contract. Present were:

Board members: Bob Thomas, Susan Moyer, Judy Glendenning, Jeff Rupp, and Betsy Scanlin

MBOH Staff: Bruce Brensdal, Charles Nemec, Charlie Brown, Nancy Leifer, and Julia Hall

Legal Counsel: Pat Melby

Bond Counsel: John Wagner, Ann Atkinson

UBS: Peter Nolden, Mina Choo, Lorrie Palacios,

Orrick Herrington: Steve Spitz

Bob Thomas convened the meeting at 9:00 a.m. after a roll call was taken and a quorum was established.

Peter Nolden said that there was a successful retail order period on Monday. They entered the market on Tuesday morning with the full public offering of the bonds. Moody's gave a confirmed rating of AA1. Standard and Poor's gave a rating of AA+. These ratings were as expected. The Board of Housing's bonds were sold on Tuesday at 4.95%. Bids were taken on Tuesday on the acquisition fund. The best bid was 5.06% provided by People's Benefit Life Insurance Company. Their rating is AA or better. There will be no negative arbitrage on this bond issue. Total lendable proceeds were \$71,242,456, including the 2% down payment assistance as well. This allows a rate of 5.75% for normal programs, with an assumption that 25% of the proceeds would be used for special programs at 5.5%.

Jeff Rupp moved to approve the bond purchase agreement. Susan Moyer seconded the motion.

The motion approved unanimously by a roll call vote.

Bruce said that he would sign the bond purchase contract. Pre-closing would be held on June 6, 2006 in Helena. Funds would be delivered on June 7, 2006.

Bob Thomas, Chairman

Date

Bruce Brensdal

Date